

OFFICE OF ECONOMIC DEVELOPMENT

Impact Analysis Report

OVERVIEW

The Office of Economic Development (OED) is responsible for administering the City's Foreign Trade Zone and Subzones, which includes processing applications, boundary modifications, and contract negotiations and extensions. Maintaining a Foreign Trade Zone enhances the City's image and prestige as a foreign trade-friendly City, and a major international city as well. It is also an important international marketing asset for the City of San José.

Per City Council direction, in 2005-2006, the Office of Cultural Affairs (OCA) became part of the Office of Economic Development. Collection of fees related to the OCA activities, including various event permit and use permit fees, are included in this section. The Office of Cultural Affairs fees and charges program has previously been designated as not subject to full cost recovery requirements.

For 2006-2007, revenue is expected to remain at the 2005-2006 level. No changes are proposed for 2006-2007.

NOTIFICATION

General public notice of proposed fee revisions is provided through published Council hearing dates and a minimum of ten days for public review of the 2006-2007 Proposed Fees and Charges Report.

DEPARTMENTAL FEES & CHARGES

OFFICE OF ECONOMIC DEVELOPMENT

Service	Adopted 2005-2006 Fee	Council Policy Cost Recovery Category	Adopted Cost Recovery %	Proposed 2006-2007 Fee	2006-2007 Estimated Cost	Estimated 2006-2007 Revenue		% Cost Recovery	
						Current Fee	Proposed Fee	Current Fee	Proposed Fee
1. Foreign Trade Main Zone		Category II	N/A						
a. Annual Fee	\$350			No Change		350	350	N/A	N/A
b. Performance Fee	\$100			No Change		100	100	N/A	N/A
c. Additional Zone Application Fee	\$3,200			No Change					
d. Expansion Fee	\$1,600			No Change					
2. Foreign Trade Subzone		Category II	N/A						
a. Application Fee	\$1,500			No Change					
b. Annual Fee	\$5,000			No Change					
OFFICE OF CULTURAL AFFAIRS									
3. Private Property Event Permit		Category II	60.5%		66,000	40,000	40,000	60.6%	60.6%
a. Vehicle sales events:	\$1,000 per event			No Change					
b. Non-vehicle sale events:	\$500 per event			No Change					
4. Paseo/Plaza Use Permit Fee		Category II	27.7%		10,800	3,000	3,000	27.8%	27.8%
a. Permit Fee	\$100			No Change					
b. Permit Amendment Fee	\$50			No Change					
c. Series Permit Fee	\$175			No Change					
5. Gated Event on Public Property Fee	5% of gross gate receipts (maximum per person attendance fee of \$15)	Category II	79.2%	No Change	12,600	10,000	10,000	79.4%	79.4%
SUBTOTAL			59.0%		89,400	53,450	53,450	59.8%	59.8%
TOTAL DEPARTMENT - GENERAL FUND					89,400	53,450	53,450	59.8%	59.8%
TOTAL DEPARTMENT - NON-GENERAL FUND					N/A	N/A	N/A	N/A	N/A
TOTAL DEPARTMENT - CATEGORY I					N/A	N/A	N/A	N/A	N/A
TOTAL DEPARTMENT - CATEGORY II					89,400	53,450	53,450	59.8%	59.8%
TOTAL DEPARTMENT					89,400	53,450	53,450	59.8%	59.8%